

CHAPTER 57**ASSOCIATION GROUP HEALTH PLANS
AND WELLNESS INITIATIVES***H.F. 790*

AN ACT allowing certain association group health care plans and wellness initiatives, and providing an effective date.

Be It Enacted by the General Assembly of the State of Iowa:

DIVISION I**ASSOCIATION GROUP HEALTH CARE PLANS**

Section 1. Section 509.1, Code 2007, is amended by adding the following new subsection: **NEWSUBSECTION.** 7A. A policy of group health insurance coverage, as defined in section 513B.2, issued by a small employer carrier, as defined in section 513B.2, to a bona fide association, subject to the following requirements:

a. The policy provides group health insurance coverage to eligible employees of members of a bona fide association that are small employers as defined in section 513B.2, and to the spouses and dependents of such employees.

b. The policy is issued to a bona fide association. For the purposes of this subsection, a bona fide association is an association which meets all of the following requirements:

(1) The association is a trade, industry, or professional association which is organized in good faith as a nonprofit corporation under chapter 504 for purposes other than obtaining insurance and has been in existence and actively maintained for at least five continuous years at the time the policy is issued.

(2) The association does not condition membership in the association on the health status of employees of its members or the health status of the spouses and dependents of such employees.

(3) Group health insurance coverage offered by the association is available to all eligible employees of its members that are small employers as defined in section 513B.2 who choose to participate in the health insurance coverage offered, and to the spouses and dependents of such employees, regardless of the health status of such employees or their spouses and dependents.

(4) Group health insurance coverage offered by the association is available only to persons who are eligible employees of a small employer as defined in section 513B.2 that is a member of the association, or to the spouses or dependents of such employees.

Sec. 2. Section 509.1, subsection 8, unnumbered paragraph 1, Code 2007, is amended to read as follows:

A policy issued to a resident of this state under a group life, accident, or health insurance policy issued to a group other than one described in subsections 1 through 7 7A, subject to the following requirements:

Sec. 3. Section 513B.2, subsection 6, paragraph a, subparagraph (3), Code 2007, is amended by striking the subparagraph and inserting in lieu thereof the following:

(3) The coverages are provided by a policy of group health insurance coverage through a bona fide association as provided in section 509.1, subsection 7A, which meets the requirements for a class of business under section 513B.4. A small employer carrier may condition coverages under such a policy of group health insurance coverage on any of the following requirements:

(a) Minimum levels of participation by employees of each member of a bona fide association that offers the coverage to its employees.

(b) Minimum levels of contribution by each member of a bona fide association that offers the coverage to its employees.

(c) A specified policy term, subject to annual premium rate adjustments as permitted by section 513B.4.

Sec. 4. Section 513B.2, subsection 6, paragraph a, Code 2007, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (4) The coverages are provided by a policy of group health insurance coverage through two or more bona fide associations as provided in section 509.1, subsection 7A, which a small employer carrier has aggregated as a distinct grouping that meets the requirements for a class of business under section 513B.4. After a distinct grouping of bona fide associations is established as a class of business, the small group¹ carrier shall not remove a bona fide association from the class based on the claims experience of that association. A small employer carrier may condition coverages under such a policy of group health insurance coverage on any of the following requirements:

(a) Minimum levels of participation by employees of each member of a bona fide association in the class that offers the coverage to its employees.

(b) Minimum levels of contribution by each member of a bona fide association in the class that offers the coverage to its employees.

(c) A specified policy term, subject to annual premium rate adjustments as permitted by section 513B.4.

Sec. 5. Section 513B.2, subsection 6, paragraph b, Code 2007, is amended to read as follows:

b. A small employer carrier may establish ~~no more than two~~ additional groupings under each of the subparagraphs in paragraph “a” on the basis of underwriting criteria which are expected to produce substantial variation in the health care costs.

DIVISION II WELLNESS INITIATIVES

Sec. 6. Section 513B.4, Code 2007, is amended by adding the following new subsection:
NEW SUBSECTION. 6. Notwithstanding subsection 4, a small employer carrier may offer to transfer a small employer into a different class of business with a lower index rate based upon claims experience, implementation of managed care or wellness programs, or health status improvement of the small employer since issue.

Sec. 7. NEW SECTION. 513B.4B SMALL EMPLOYER INCENTIVES — SUSPENSION OR MODIFICATION OF PREMIUM RATE RESTRICTIONS.

1. In order to encourage voluntary participation in wellness or disease management programs, a small employer carrier may offer premium credits or discounts to a small employer for the benefit of eligible employees of that small employer who participate in such a program. An employee shall not be penalized in any way for not participating in such a program.

2. The commissioner shall adopt, by rule or order, provisions allowing suspension or modification of premium rate restrictions to enable a small employer carrier to provide premium credits or discounts to a small employer based on measurable reductions in costs of that small employer, including but not limited to tobacco use cessation, participation in established wellness or disease management programs, and economies of acquisition or administration.

DIVISION III EFFECTIVE DATE

Sec. 8. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved April 10, 2007

¹ See chapter 215, §255 herein

CHAPTER 58**CIVIL SERVICE AND DEPUTY COUNTY SHERIFFS —
APPEALS TO DISTRICT COURT***H.F. 803*

AN ACT relating to civil service for deputy county sheriffs by allowing a county to appeal certain decisions of the civil service commission.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 341A.12, unnumbered paragraph 2, Code 2007, is amended to read as follows:

~~If the order of removal, suspension, or demotion is concurred in by a majority of the commission, the~~ The county or the accused may appeal therefrom ~~from the commission's finding and decision~~ to the district court of the county where the accused resides. Such appeal shall be taken by serving upon the commission within thirty days after the entry of its ~~order finding and decision~~, a written notice of appeal, stating the grounds thereof, and demanding that a certified transcript of the record and of all papers on file in the office of the commission affecting or relating to its ~~order finding and decision~~, be filed by the commission with the court. The commission shall, within ten days after the filing of the notice make, certify, and file such transcript with the court. The court shall proceed to hear and determine the appeal in a summary manner. Such hearing shall be confined to the determination of whether the ~~order of removal, suspension, or demotion made by~~ finding and decision of the commission ~~to affirm, modify, or revoke the order of the sheriff~~ was made in good faith and for cause, and no appeal shall be taken except upon such grounds. The decision of the district court may be appealed to the supreme court.

Approved April 10, 2007

CHAPTER 59**CONDUCT OF ELECTIONS, ABSENTEE VOTING,
AND VOTER REGISTRATION***H.F. 848*

AN ACT relating to the conduct of elections and voter registration and including effective and applicability date provisions.

Be It Enacted by the General Assembly of the State of Iowa:

**DIVISION I
GENERAL PROVISIONS RELATING
TO CONDUCT OF ELECTIONS**

Section 1. Section 2.27, Code 2007, is amended to read as follows:

2.27 CANVASS OF VOTES FOR GOVERNOR.

The general assembly shall meet in joint session on the same day the assembly first convenes in January of 1979 and every four years thereafter as soon as both houses have been organized,